

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

IN RE:	§	
	§	
BENDCO, INC.	§	CASE NO. 18-30849
	§	
DEBTOR	§	CHAPTER 11

**DEBTOR'S APPLICATION FOR AUTHORITY TO APPOINT AND RETAIN
ACCOUNTANT, RUSSELL, CRAFT & SCHULZ, PURSUANT TO 11 U.S.C. § 327**

THIS MOTION SEEKS AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THE MOTION, YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY TO RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY. YOU MUST FILE AND SERVE YOUR RESPONSE WITHIN 21 DAYS OF THE DATE THIS WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THE MOTION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE MOTION AT THE HEARING.

REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEY.

TO THE HONORABLE DAVID R. JONES,
CHIEF UNITED STATES BANKRUPTCY JUDGE:

COMES NOW, Bendco, Inc., the Debtor herein (the "Debtor"), and files its Application for Authority to Appoint and Retain Accountant, Russell, Craft & Schulz, Pursuant to 11 U.S.C. § 327 (the "Application"), and in support thereof, would respectfully show unto the Court as follows:

I.

Debtor Bendco, Inc., has filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code on February 28, 2018 (the "Date of Petition"). From and since

the Date of Petition, the Debtor has maintained possession of its property, and has continued to remain in control of its ongoing business affairs as a Debtor-in-possession pursuant to the provisions of 11 U.S.C. §§ 1107 and 1108.

II.

This Court has jurisdiction over the proceedings herein pursuant to 11 U.S.C. § 105, and 28 U.S.C. §§ 151, 157, and 1334. Venue is appropriate herein by virtue of 28 U.S.C. § 1408.

III.

The Debtor requests this Court's authority to employ an accountant pursuant to 11 U.S.C. § 327(a). An Affidavit of the proposed accountant is attached hereto as Exhibit "A" and incorporated herein for all purposes. Notice of the Debtor's Application is being provided herein to the United States Trustee and all creditors and parties-in-interest via service of same upon those parties in accordance with Bankruptcy Local Rule 9013.

IV.

Debtor has selected the firm of Russell, Craft & Schulz ("RCS") for the reason that Debtor believes that RCS has the necessary expertise and knowledge to perform the work required during this proceeding and desires to hire RCS to assist in the preparation of accounting functions required under this proceeding.

V.

In the operation and management of the Debtor's business, as Debtor-in-possession, numerous accounting questions and matters will arise which require the services and advice of a C.P.A. The professional services to be provided by RCS include the preparation of tax returns and Monthly Operating Reports for the Debtor. In that connection, the Debtor is of the view that it is

necessary for it to be authorized to retain RCS as its C.P.A.

VI.

Other than is disclosed below, to the best of Debtor's knowledge, information and belief, RCS has no connection of any kind or nature with the Debtor, its creditors, any other party in interest, their respective attorneys and accountants, the United States Trustee or any person employed in the office of the United States Trustee. RCS represents no interest adverse to the Debtor or its estate in the matters upon which he has been engaged by the Debtor.

Prior to the filing of Debtor's Chapter 11, RCS prepared tax returns for the following:

- A. Rick Friery, Sr., CEO of the Debtor.
 - 1) Form 1040 Tax Returns - 2016 and 2017
- B. Rodney Friery, Vice President of the Debtor.
 - 1) Form 1040 Tax Return - 2016

RCS is not a creditor of the Debtor. Retention and employment of RCS would be in the best interests of the Debtor and its estate.

VII.

Debtor desires to employ RCS on a fee basis. At the present time, the firm of RCS charges the following billing rates:

Gary Schulz, CPA/ABV, \$175.00 per hour
Lori Harman, \$96.00 per hour
Carol Schulz, \$86.00 per hour

The fees charged by RCS for its services are favorably comparable to fees being charged by other accountants and staff in this District for services of a similar nature. RCS requires the Debtor to provide a retainer of \$5,000.00 against which RCS will provide application to this Court. RCS

will be paid on an hourly basis, but, pursuant to 11 U.S.C. §§ 330 and 331, future compensation paid to RCS will be subject to the scrutiny and authority of this Court.

WHEREFORE, PREMISES CONSIDERED, the Debtor herein, prays for this Court to authorize the employment of Russell, Craft & Schulz and that Russell, Craft & Schulz be employed on a fee basis to assist in the preparation of financial statements, tax returns and any additional accounting services as may be required for Debtor's reorganization, including special accounting projects. In that connection, the Debtor is of the view that it is necessary for it to be authorized to retain Russell, Craft & Schulz as its accountant.

Respectfully submitted May 1, 2018.

FUQUA & ASSOCIATES, PC

By: /s/ Richard L. Fuqua
Richard L. Fuqua
State Bar #07552300
5005 Riverway, Suite 250
Houston, Texas 77056
Phone: 713.960-0277
Facsimile: 713.960-1064

CERTIFICATE OF SERVICE

This is to certify that a copy of the above and foregoing instrument was forwarded by U.S. mail, first class postage prepaid to the United States Trustee, 515 Rusk, Suite 3516, Houston, Texas 77002 and to all parties listed on the attached service list on May 2, 2018.

/s/ Richard L. Fuqua
Richard L. Fuqua

"EXHIBIT A"

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

IN RE:	§	
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BENDCO, INC.	§	CASE NO. 18-30849
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DEBTOR	§	CHAPTER 11

**AFFIDAVIT OF PROPOSED ACCOUNTANT PURSUANT TO
11 U.S.C.A § 327(a) AND FED. R. BKTCY. P. 2014(a)**

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

I, Gary Schulz, CPA/ABV, being duly sworn, depose and state the following:

I.

" My office address is 1002 Gemini Avenue, Suite 130, Houston, TX 77058.

II.

At the present time, my services for all of the firm's clients are billed at the rate of \$175.00 an hour. The fees which shall be charged by the firm of Russell, Craft & Schulz to the Debtor's estate are as follows:

Gary Schulz, CPA/ABV, \$175.00 per hour
Lori Harman, \$96.00 per hour
Carol Schulz, \$86.00 per hour

Other than is disclosed below, insofar as I have been able to ascertain, neither I nor Russell, Craft & Schulz have any connection of any kind or nature with the Debtor, its creditors, any other party in interest, their respective attorneys and accountants, the United States Trustee or any person

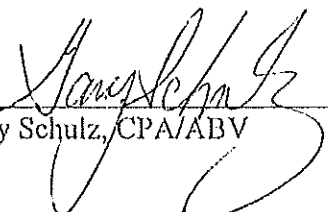
employed in the office of the United States Trustee. Neither I, nor the firm of Russell, Craft & Schulz hold or represent any interest adverse to the Debtor or its estate in the matters upon which we are to be engaged by the Debtor. Russell, Craft & Schulz and I are both disinterested persons.

Prior to the filing of Debtor's Chapter 11, Russell, Craft & Schulz prepared tax returns for the following:

- A. Rick Friery, Sr., CEO of the Debtor.
 - 1) Form 1040 Tax Returns - 2016 and 2017
- B. Rodney Friery, Vice President of the Debtor.
 - 1) Form 1040 Tax Returns - 2016

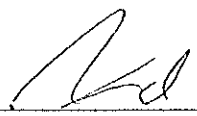
Neither I nor the accounting firm of Russell, Craft & Schulz are creditors, equity security holders, or insiders, as defined in 11 U.S.C. § 101(31), of the Debtors. The employment of Russell, Craft & Schulz is in the best interests of the Debtor and its estate."

Further, Affiant sayeth not.



Gary Schulz, CPA/ABV

SWORN TO AND SUBSCRIBED BEFORE ME by Gary Schulz on this 1 day of May, 2018, to certify which witness my hand and official seal of office.



Notary Public in and for
State of Texas
My commission expires: 2.26.22

